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Washington, D.C. 20530 April 15, 1983

Office of General Counsel Central Intelligence Agency Room 7D19 Washington, D.C. 20505

We have located an Army CIC document, dated 8 March 48, classified Secret, that states as follows:

"4. As was mentioned previously, the former net of MERCK's was not concentrating within the American Zone. Since so much material was being obtained that would be of value to the War Department Detachment, liaison was made with the local WDD and it was decided that the information obtained would be turned over to the WDD, if it were the type of information they wanted. In turn, the local WDD would assist in the payment of the net. This practice has been working out to the advantage of both organizations."

The net run by Merck (a/k/a Merk, see my letter of March 25) is the one in which Barbie was involved. If the above reference to Mar Department Detachment to instact a reference to the Department of the Army Detachment DAD), this document suggests a relationship of some sort between DAD and Barbie. We have reason to believe that DAD was an affiliate of CIA.

In addition to the above, there is a document dated 21 August 1950 from Intelligence Division BUCOM to DAD (as well as CIC) asking for extradition clearance on Barbie. This document suggests that Barbie's relationship with DAD may have continued through 1950.

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FOR COORDINATION WITH DOJOSI

DECLASSIFIED AND RELEASED BY CENTRAL INTELLIBENCE AGENCY SOURCES METHODS EXEMPTION 3828 WAZI WAR CRIMES DISCLOSURE ACT.

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The above-cited material may or may not affect the nature of any statements CIA may wish to make concerning Klaus Barbie. As I indicated to you previously, I am not prepared to corroborate any statements of that nature until the full investigation is completed and all the facts are in.

Upon my return from Bolivia on April 25, I suggest a meeting with persons who are familiar with the materials requested in my letters of March 21 and March 25. For your information, Operation RUSTY (see my letter of March 25) may be indexed in CIA files as Operation ODEUM.

Sincerely,

Allan A. Ryan, Jr.
Special Assistant to the
Assistant Attorney General
Post Office Box 28603
Washington, D.C. 20005

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